



September 29, 2009

To: Sun-Times Media Group colleagues

From: Jeremy L. Halbreich

Today is an important day for Sun-Times Media Group and the lone bidder for its newspapers and Web sites, the investor group led by James C. Tyree. Specifically, today is the target date that was set for all of our collective bargaining units to agree to concessions requested by the Buyer. The date's purpose was to create an orderly, smooth process between now and the auction for the Company's assets, which will be held in a little more than a week on October 7. The long-term goal of this process remains to ensure a soft landing for all of our print and online publications and to secure jobs for our employees.

We are pleased to report that four bargaining units have voted in favor of the amendments: Paperhandlers (GCIU/IBT)/Chicago Sun-Times; Pressmen (GCIU/IBT)/Chicago Sun-Times; Teamsters/Drivers (IBT)/Chicago Sun-Times; and Machinists (I.A.M.A.W.)/Chicago Sun-Times. We respect the sacrifices that are being made to ensure a future for our print and online publications, and thank them for their support during this challenging time. Their votes follow negative votes by five bargaining units representing editorial employees at the Chicago Sun-Times, Joliet Herald News, Lake County News-Sun, Pioneer Press and Post-Tribune. We regret that those unions have not yet come along, though we continue to talk with their leaders and remain hopeful that they will come to understand the urgency of the situation in which the Company finds itself. Seven additional bargaining units must still vote.

After today, and each day we go without full support of all of our bargaining units, the situation facing the Company grows more dire.

- We continue to burn cash. We cannot go on much longer without a buyer.
- There is, as of today, only one bidder for the Company's assets. Mr. Tyree, in speaking for his group, has repeatedly expressed his enthusiasm for the papers and Web sites going forward. These are the kind of owners that will be very good for our print and online publications and for our employees.
- Liquidators can bid on assets and could potentially top the bid by Mr. Tyree's group. A liquidator will not save jobs or any of our publications.

- There's no guarantee another bidder won't come in and formally reject the union contracts altogether, or significantly reduce jobs. This is not the plan of the Tyree group.

The bottom line: This bidder has presented a wonderful opportunity and lifeline for our publications and jobs. There remains hope.